

WHEN AND HOW CAN I GET A TRANSFER VALUE?

At some point in your life you may want or need to transfer your pension e.g.

- If you move jobs and join another pension scheme
- If you are going through a divorce, or
- If you have taken independent financial advice on your pension.

The key to all of this is your age and the circumstances at the time you request a transfer value quote.

MOVING JOBS – JOINING ANOTHER PENSION

If you move jobs and join the occupational pension scheme provided by your new employer, you may wish to transfer the value of your LSC pension. No matter who your new employer is, **if you are a deferred member of our scheme**, you can request a transfer value as per the approach below. It is of course worth checking first whether your new scheme accepts transfer values; some do not.

TRANSFER VALUE FOR DIVORCE PROCEEDINGS

In the event that you require a transfer value quote for divorce proceedings, you can get a transfer value at any age, irrespective of whether you are a deferred or pensioner member of our scheme. Again, you should follow the approach below, but please note that transfer values for divorce proceedings have specific legislative requirements and are not guaranteed.

TRANSFER VALUE FOR OTHER FINANCIAL REASONS

If you are a deferred member of our scheme and **are under the age of 60**, you can request a cash equivalent transfer value quote. Once you turn age 60, you become a pensioner member and are required to take your pension from our scheme. So, if you do want to take a transfer value, make sure you give yourself plenty of time to do so before you reach age 60.

TRANSFER VALUE QUOTES

Transfer values (£) are guaranteed for 3 months from the date of the quote. Provided you receive a quote before you are aged 60, you will be able to take that transfer value, so long as you transfer within the 3-month guarantee period. Once this guarantee period expires, you are required to request another quote before you can transfer. If in this time you have turned 60, you will no longer be able to request another transfer value quote as your pension will become payable.

Please note that as you have no legal right to receive another statement of entitlement within 12 months of your last statement date, the Trustees may impose a charge if another request is made within the same 12 months.

FINANCIAL ADVICE IS VITAL

Transferring the value of your pension to another scheme could give you the flexibility to take the whole value as a one-off lump sum, take a number of lump sums over the years, draw income as you need it, or buy a regular income through an annuity. This is a major financial decision, and one which would involve giving up the benefits of our Defined Benefit final salary scheme.

The Pensions Regulator is very clear about this, and says "... that in most cases, transferring out of a defined benefit scheme into a different type of pension arrangement is unlikely to be in your long-term interests as you'll be giving up a valuable level of predictability in your retirement income."

So, financial advice could be invaluable. Indeed, if your transfer value is more than £30,000 and you are transferring to a Defined Contribution scheme **you must take independent financial advice** before you are allowed to do this. You will have to provide proof of this advice to the Scheme's Administrators before they can process your request. If you do not currently have contact with an authorised, independent, Financial Adviser, you should be able to obtain details of those local to you at www.unbiased.co.uk.

HOW TO REQUEST YOUR TRANSFER VALUE QUOTE

It could not be easier. Simply log on to www.lscpensions.co.uk and request a transfer value quote via "My requests". Alternatively, contact the Scheme's administration team at lscpensions@hymans.co.uk or call them on **020 7082 6457**.

The team will aim to reply within 10-15 days, providing a quote you can share with your new employer and/or financial adviser etc.

ADVICE DURING THE COVID-19 PANDEMIC

The Pensions Regulator introduced emergency measures at the end of April 2020, amongst which was advice that Defined Benefit pension schemes can suspend providing transfer value quotes for (currently) up to 3 months, given the volatility of the financial markets. The trustees of your pension scheme have considered this option and have decided that our scheme's funding position is strong enough that we can continue to provide transfer values if requested.

However, your cash equivalent transfer value quote will be accompanied by a new letter warning of the risks of making any pension transfer during the financial volatility of this pandemic. Financial advice before you make any final decision will be critical, as is making sure that you are not being scammed in any way.